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TO RUEHC/SECSTATE WASHDC PRIORITY 5883
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RUEHNSC/NSC WASHDC PRIORITY
RHMFISS/DEPT OF ENERGY WASHINGTON DC PRIORITY
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 005835

SIPDIS

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DEPT FOR EUR/RUS, FOR EEB/ESC/IEC GALLOGLY AND WRIGHT
EUR/CARC, SCA (GALLAGHER, SUMAR)
DOE FOR HARBERT, HEGBORG, EKIMOFF
DOC FOR 4231/IEP/EUR/JBROUGHER

E.O. 12958: DECL: 12/03/2017 TAGS: [EPET](#) [ENRG](#) [ECON](#) [PREL](#) [RS](#) [PINR](#)

1.(C) Summary: Rosneft CEO Sergey Bogdanchikov told the Ambassador December 13th that he is optimistic about the company's future, noting in pe
End Summary.

----- OPTIMISTIC ON ROSNEFT'S FUTURE, BAP AND CPC -----

2.(SBU) In a December 13th meeting with the Ambassador, Bogdanchikov focused on Rosneft's performance, optimistically outlining the company's c
3.(SBU) Bogdanchikov said Rosneft isn't planning further major upstream acquisitions, but that it would consider "attractive" opportunities tha
4.(SBU) Rosneft, as a shareholder in the BAP and as a shareholder and user of the Caspian Pipeline Consortium (CPC), fully supports constructic

TRANSPORT TARIFFS, SUBSOIL AMENDMENTS, AND SAKHALIN 1

5.(SBU) Bogdanchikov said he believes the GOR will implement a common pipeline tariff for access to the Transneft system, which he called more
6.(SBU) Bogdanchikov was hopeful that anticipated amendments to subsoil legislation would be passed in 2008, allowing new license auctions and
7.(SBU) Bogdanchikov was positive about Rosneft's partnership with ExxonMobil in Sakhalin
[1](#)1. Regarding gas sales out of Sakhalin 1, Bogdanchikov said Rosneft believes that the consortium should seek the best commercial terms, "regar

DEBT RESTRUCTURING AND CONSOLIDATION

8.(SBU) Regarding Rosneft's vast debt and rumored difficulties in obtaining credit, Bogdanchikov said the company already has an agreement with
9.(SBU) Commenting on rumors of further consolidation in the oil sector, Bogdanchikov said there has been no decision on merging with Surgutnef
10.(SBU) In response to the Ambassador's question about Bogdanchikov entering politics in Sakhalin Oblast, Bogdanchikov said such suggestions w
11.(C) Bogdanchikov's depth, vision, and presentation were impressive, as usual. His forecast, however, is at odds with conventional wisdom her